

Wisconsin Department of Revenue
Division of Research and Policy
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**FARMLAND PRESERVATION CREDIT PROGRAM
AND FARMLAND TAX RELIEF CREDIT PROGRAM 2006**

Approximately \$25.9 million in direct benefits was distributed to Wisconsin farmers in 2006 through the Farmland Preservation Credit Program and the Farmland Tax Relief Credit Program.

About 19,100 farmers claimed Farmland Preservation Credits amounting to \$12.5 million, and 54,000 farmers received Farmland Tax Relief Credits totaling \$13.4 million. The credits are paid as an offset to state income tax or as a cash refund if the credit exceeds income tax due. The Farmland Preservation Credit and the Farmland Tax Relief Credit may not exceed 95% of the property taxes accrued on the farm.

The Farmland Tax Relief Credit Program provides direct benefits to all farmland owners with 35 or more acres. The credit is computed as a percentage of up to \$10,000 of property taxes, with the maximum credit at \$1,500. The Department of Revenue annually determines the credit percentage so that expenditures on the credit for all claimants (individual and corporate) will total \$15 million, adjusted up or down for expenditures in excess of, or less than, this amount in the prior fiscal year. The 2006 credit (for tax year 2005) equaled 20% of the first \$10,000 of 2005 property taxes and averaged \$249. The 2007 credit (for tax year 2006) is set at 23%.

The goals of the Farmland Preservation Credit Program are twofold: to preserve Wisconsin farmland by means of local land use planning and soil conservation practices and to provide property tax relief to farmland owners. To qualify for the credit, farmland must be 35 acres or more and zoned for exclusive agricultural use or be subject to a preservation agreement between the farmland owner and the state. In addition, all participants must comply with soil and water conservation standards set by the state Land Conservation Board. Farmland Preservation Credits averaged \$652 per claimant, equal to 19% of claimants' average property tax bills. Approximately 35% of farm owners with 35 acres or more claimed Farmland Preservation Credits in 2006.

The following table shows statistics on participation in the farmland credit programs by county. Data are shown for the county in which the claimant lives, which may not be the same as the county in which the farmland is located.

FARMLAND CREDITS BY COUNTY, 2006
(2005 Property Tax Year)

County	Farmland Tax Relief			Farmland Preservation			
	Count	Amount (\$)	Average (\$)	Count	Amount (\$)	Average (\$)	Participation Rate
Adams	202	\$ 72,861	\$ 361	28	\$ 18,511	\$ 661	14%
Ashland	67	19,271	288	10	2,535	254	15%
Barron	1,027	225,668	220	366	294,118	804	36%
Bayfield	124	31,266	252	24	20,472	853	19%
Brown	1,073	188,279	175	704	362,931	516	66%
Buffalo	793	295,017	372	196	161,060	822	25%
Burnett	153	38,363	251	27	24,711	915	18%
Calumet	802	126,844	158	260	122,480	471	32%
Chippewa	1,175	259,695	221	77	36,555	475	7%
Clark	1,629	306,211	188	71	40,776	574	4%
Columbia	1,332	363,213	273	813	546,431	672	61%
Crawford	661	160,417	243	145	118,160	815	22%
Dane	2,641	800,043	303	1,661	998,660	601	63%
Dodge	1,927	470,403	244	780	542,202	695	40%
Door	475	78,663	166	61	34,936	573	13%
Douglas	51	9,517	187	5	2,299	460	10%
Dunn	1,102	300,762	273	176	124,428	707	16%
Eau Claire	750	146,954	196	213	139,846	657	28%
Florence	19	5,571	293	D	D	D	D
Fond du Lac	1,558	300,608	193	1,161	673,889	580	75%
Forest	39	8,505	218	D	D	D	D
Grant	2,031	490,324	241	784	452,191	577	39%
Green	1,120	299,104	267	206	130,524	634	18%
Green Lake	513	115,850	226	233	130,102	558	45%
Iowa	1,123	300,946	268	945	721,466	763	84%
Iron	14	2,593	185	D	D	D	D
Jackson	544	181,226	333	45	27,989	622	8%
Jefferson	1,223	278,828	228	897	565,158	630	73%
Juneau	485	148,856	307	45	38,549	857	9%
Kenosha	226	76,766	340	27	8,031	297	12%
Kewaunee	833	141,550	170	616	361,510	587	74%
La Crosse	548	187,746	343	264	212,818	806	48%
Lafayette	1,073	315,588	294	516	380,132	737	48%
Langlade	336	86,464	257	202	104,668	518	60%
Lincoln	224	58,694	262	8	2,976	372	4%
Manitowoc	1,243	221,933	179	792	477,302	603	64%
Marathon	1,915	449,683	235	344	226,136	657	18%
Marinette	340	80,755	238	15	8,701	580	4%
Marquette	279	89,612	321	36	36,464	1,013	13%
Menominee	D	D	D	D	D	D	D
Milwaukee	123	26,715	217	19	4,794	252	15%
Monroe	1,029	286,233	278	76	43,229	569	7%
Oconto	745	153,548	206	28	10,075	360	4%
Oneida	36	11,795	328	D	D	D	D
Outagamie	1,122	176,457	157	345	154,082	447	31%
Ozaukee	321	85,478	266	163	119,399	733	51%
Pepin	364	104,753	288	76	43,563	573	21%
Pierce	876	231,784	265	143	116,041	811	16%

FARMLAND CREDITS BY COUNTY, 2006 (cont.)
(2005 Property Tax Year)

County	Farmland Tax Relief			Farmland Preservation			
	Count	Amount (\$)	Average (\$)	Count	Amount (\$)	Average (\$)	Participation Rate
Polk	740	\$ 181,579	\$ 245	78	\$ 49,756	\$ 638	11%
Portage	720	209,845	291	97	68,296	704	13%
Price	139	34,226	246	18	13,039	724	13%
Racine	398	107,202	269	39	25,302	649	10%
Richland	716	196,562	275	444	387,890	874	62%
Rock	1,183	336,046	284	835	512,805	614	71%
Rusk	348	63,185	182	43	26,647	620	12%
St. Croix	955	229,324	240	243	138,394	570	25%
Sauk	1,265	397,644	314	538	382,981	712	43%
Sawyer	81	25,132	310	7	4,183	598	9%
Shawano	1,187	252,652	213	356	212,485	597	30%
Sheboygan	909	188,277	207	604	369,525	612	66%
Taylor	600	149,588	249	33	28,051	850	6%
Trempealeau	1,155	297,443	258	319	198,221	621	28%
Vernon	1,227	308,590	251	278	259,109	932	23%
Vilas	26	9,045	348	D	D	D	D
Walworth	730	204,990	281	431	237,251	550	59%
Washburn	148	40,465	273	12	12,200	1,017	8%
Washington	703	182,391	259	123	72,480	589	17%
Waukesha	367	115,020	313	116	55,454	478	32%
Waupaca	838	205,349	245	98	50,568	516	12%
Waushara	374	116,734	312	34	31,550	928	9%
Winnebago	675	140,039	207	150	98,088	654	22%
Wood	787	179,018	227	33	24,694	748	4%
Other*	468	113,809	243	229	348,601	1,522	49%
Total Individuals	53,026	13,095,659	247	18,773	12,251,670	653	35%
Total Corporations	770	332,982	432	318	200,156	629	41%
Total	53,796	\$ 13,428,641	\$ 250	19,091	\$ 12,451,826	\$ 652	35%

NOTES:

* Includes credits on returns for which no county is specified and out of state returns.

(D) Data for counties with five or fewer claimants are not disclosed; however, data for these counties are included in the state totals.

(1) Data on number of claims and credit amount for individual filers are from returns processed between July 1, 2005, and June 30, 2006.

(2) Data on the number of corporate credits are from tax returns processed between January 1, 2006, and December 31, 2006.

(3) Estimated participation rate is the number of Farmland Preservation Credit claimants in the county as a percentage of the number of Farmland Tax Relief claimants in the county.

(4) The data are based on the county in which the claimant lives, which may not be the same as the county in which the farmland is located.